

CHICAGO, *July 17<sup>th</sup>* 1903

*Mr G. M. West*  
*Chicago Heights*  
*Ill -*

*Dear Mr West -*

I intended to impress upon you  
more positively the position which I have with  
the approval of Mr Hammond provided for you  
in our organization, or rather at this stage, enterprise -

As I stated to you last night we Mr Hammond  
and I set aside for you  $\frac{1}{16}$  interest in the undertaking  
that is  $\frac{1}{16}$  in an organization of eight (8) full shares  
and this proportion  $\frac{1}{16}$  of the whole to be maintained  
however the original contemplation of eight parts  
may be changed for convenience in organization  
or otherwise -

Again this is with the understanding that you  
are to take an active personal part in the work  
of construction and operating the road - That  
you shall have charge of this department of  
the Company and that in the raising of the money  
it must be understood that you are to have this  
position <sup>and</sup> a salary provided which shall be  
equivalent in compensation to any which you



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would relinquish to accept such position and devote your entire time and energy to our common interest.

To make a success it is essential to have a community of interest in harmonious accord - and at the outset all provision that can be secured to that end renders the result more satisfactory -

Why I have written the foregoing is the inclination always on the part of money lenders to get everything in sight, and in loaning a large sum of money for a proposition like ours to look out for every point to make additional money out of it - and particularly in the building of a railroad there always happens to be some favored party, that the Capitalist deems shall have a contract for the construction work. This is one point that I have already made pretty plain at every opportunity that has come up while we have been discussing the money raising part of it - My position is that in borrowing the money we give good security, a full rate of interest, and besides a very large share of the profit in the transaction from beginning to end. But then we must be allowed to do all of the work ourselves, and



manage everything to save every dollar of profit that could accrue to a centimeter or any outside party that might be brought in by the money lenders for such purposes. In other words the persons who advanced the money must be satisfied with the interest we pay on the loan and their proportionate share of the profit in the net results.

With the money in shape to be advanced as needed in the progress of the work I know that you would make every dollar go as far as possible and save at every point much that a professional contractor would make and besides pile up extras that would bring the cost of construction up to the level of such estimates as we were talking about last night. Besides every expenditure and additional advantage which you might give to the Capitalist would add to complications.

All of our profit and benefit comes from the net amount which we shall have when the loan is paid in either money or bonds - and we must be careful to keep everything that could possibly be a profit within the



Syndicate or company of eight shares outlined  
in the foregoing -

Put the  $\frac{1}{4}$  down there you I and Hammond  
and his associate have  $\frac{1}{2}$  of the 8 - and I have  
seen that Mr Griffin will act with us - and I merely  
write this to let you understand the opinion and  
intention of my self and associates -

Unless we can get the money under conditions that  
will leave us free to do the work to best advantage  
and save all the profits we will not accept any  
propositions - that is any propositions that would  
tie us all up with the money lenders and permit  
them to use or take (beyond the interest and their  
share with us <sup>in</sup> the final results) perquisites or  
advantages that would absorb the majority of  
the means we have to depend upon for making  
savings and profits by doing our own work  
in our own way -

Now I know that you will be the protection of  
all concerned by the position you will occupy and  
until we get the money on terms that will allow  
us to go ahead on such lines - It may not be  
politic to take any decided stand or even  
refer to this particular condition in preliminary  
talks with Mr Griffin or others until we know that



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the money is in sight - I would reject any conditions that would not allow the full carrying out of our own plans of construction by ourselves - as I have herein stated. Because I know that with your aid on the ground here now we can get enough to start with and work it out ourselves -

Mr. Griffin knows my views on this matter and I do not apprehend any trouble to come up on this point.

We want to treat the other side fair, give them every security and protection and work for their best interests equally with our own from beginning to end, but we do not wish to - nor will we give up everything and place ourselves in situation to be stripped of every value when the final adjustment of operations is made -

I want you to understand that you stand with Mr. Hammond myself and the others outside of the Capitalists side - We stand by you and you in the position we shall place you will protect us.



We shall probably want you here Monday night - If you are in Chicago to-morrow you will find me at my office during the greater part of the day - Certainly between 10<sup>30</sup> and 3 or 4 -

I think it is best always to give out with whom one is working entire confidence which I shall always do -

It is not perhaps best to mention what I have said to Mr Griffin in as positive way as I have said it to you and perhaps not at all at this stage. But I desired you to understand just the exact situation and your relation to it.

Sincerely in haste  
F. H. Gordon



Estimate financing Florida Grand Trunk Railway.

150 miles road: Appalachicola to Dothan; Saint Andrews pay to connection with Appalachicola line: 10.000 per mile, bonds,	1.500.000
120000 shares Preferred stock, 8.000 per mile,	1.200.000
10.500 " Common Stock, 7.000 per mile,	<u>1.050.000</u>
	3.750.000

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Bonds per mile,	10.000
Pref. stock "	8.000
Com. " "	<u>7.000</u>
	25.000 per mile.